THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) With an objective of import substitution and self-reliance for foreign trade, Export Promotion, Capital Goods Scheme as well as Duty Exemption Scheme under Export-Import Policy, 1997-2002, permits procurement of capital goods and raw materials respectively from domestic market. Such domestic suppliers are entitled for deemed export benefits so that they could supply at Internation price, Similarly, certain categories of supplies as given under Chapter X of Export-Import Policy, 1997-2002, are entitled for deemed export benefits.

(b) For improving the balance of payment of the country, export promotion measures are continously being taken by the Government through suitable changes in Policies and Procedures for providing an export friendly environment, involvement of State Governments in export promotion, consultation with Trade and Industry. Recently, the Export-Import Policy, 1997-2002 has also been announced.

Fudging of STC Accounts

4008. SHRI RAM GOPAL YADAV:
SHRI ISH DUTT YADAV:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government's attention has been drawn to the news item published in Financial Express of October 1, 1996, regarding fudging of STC accounts;

(b) if so, the details thereof; and

(c) in what way Government propose to cover up Rs. 51 crores loss suffered by the corporation?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) Yes. Sir.

(b) and (c) State Trading Corporation of India has intimated that it finalised its accounts for the financial year 1995-96 on the basis of its well established accounting policies. The accounts were audited by the statutory auditors appointed by the Comptroller and Auditor General and the same were considered and approved by the Borad of Directors of STC. These audited accounts of STC reflected a profit of Rs. 32.67 crores. However, C&AG subsequently in its comments observed that the provision should be made for the following amounts:—

(a) Rs. 20.02 crores to be realised on account of canalised import of newsprint in the period prior & upto 1991-92.

(b) Rs. 60.33 crores to be realised on account of import of fatty acid.

(c) Rs. 3.00 crores as investment made in Tea Trading Corporation of India (TTCI), a wholly owned subsidiary of STC.

The Board of Directors of STC considered the comments and keeping in view the facts that the amounts at (a) & (b) above are debts to be realised from the Government and sale of tea gardens is under process in TTCI, the Board decided not to make any provisions for these amounts. The shareholders of STC in the Annual General Meeting also approved the stand taken by STC Board.

Target for Sugar Export to Indonesia

4009. SHRI AMAR SINGH: Will the Minister of COMMERCE be pleased to state:

(a) the quantum of sugar targeted for export to Indonesia during the current financial year;

(b) the actual export upto the 28th February, 1997 to that country by Indian Sugar and General Industry Export Corporation; and

(c) the reasons for not meeting the target fixed earlier?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) There is no separate target fixed for sugar exports to Indonesia during the current financial year.

(b) As per the information furnished by Indian Sugar and General Industry Export corporation, it has exported 1,31,273.95 MT of sugar to Indonesia during the period from April '96 to 31st Jan.'97.

(c) Does not arise.

Barriers on the Movement of Skilled Labourers

4010. SHRI GOVINDRAO ADIK: Will the Minister of COMMERCE be pleased to state:

(a) whether some Indian services like software consultancy are losing their edge in the global market due to protective and non-tariff barriers imposed on the movement of skilled labours by North America and Europe;

(b) if so, whether Government have received any representations in this regard; if so, the details thereof;

(c) the details of action initiated during 1996-97 proposed during 1997-98 to take up the issue with WTO to ensure meaningful balance in market area benefits in the service sector; and

(d) the details of the action taken/ proposed for redressal of the issue at multilateral, regional and bilateral forums, result thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) and (b) Even though Indian software exports have grown at a rapid pace in the past, they do face protective and non-tariff barriers in developed countries specially United States of America by way of restrictive visa regulations; requirement of payment of salary equivalent to the salary paid to local employees requirement of payment of social security taxes etc. The Government is aware of these problems as a result of interaction with trade and industry and through their various communications.

(c) and (d) The negotiations on movement of natural persons in WTO were concluded on 28th July, 1995 with the approval of Council for Trade in Services to give it legal status in the form of "The Third Protocol to the General Agreement on Trade in Services" and "The Decision on the Movement of Natural Persons". The Council for Trade in Services has also established a Committee, known as "The Committee on Specific Commitments" to monitor the implementation of specific commitments, *inter alia*, related to movement of natural persons. However, the issue of providing greater market access to movement of "Natural Persons" is being raised in WTO, other multilateral and bilateral fora from time to time as appropriate.

खाद्य तेल के स्थान पर तिलहनों का आयात

4011. **श्री राम जेठमलानी:** क्या वाणिज्य मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या सरकार का ध्यान दिनांक 18 अप्रैल, 1997 के "दि आब्जर्वर" में "परमिट आयलसीड्स इम्पोर्ट आफ इंस्टेड एडिबल आयल एस ई ए" शीर्षक से प्रकाशित समाचार की ओर दिलाया गया है;

(ख) यदि हां, तो क्या यह सच है कि देश की "सालवेन्ट एक्सट्रेक्टर्स एसोसिएशन" ने यह मांग की है कि देश में खाद्य तेल के स्थान पर तिलहनों का आयात किया जाए;

(ग) यदि हां, तो क्या यह भी सच है कि देश में तेल निकालने की औद्योगिक क्षमता का 60 प्रतिशत अपर्युक्त पड़ा हुआ है; और

(घ) यदि नहीं, तो इस संबंध में सरकार का क्या आकलन है तथा खाद्य तेल के स्थान पर तिलहनों का आयात करने में क्या कठिनाइयां हैं?

वाणिज्य मंत्रालय के राज्य मंत्री (श्री बोल्ला बुल्ली रामैया): (क) जी, हां।